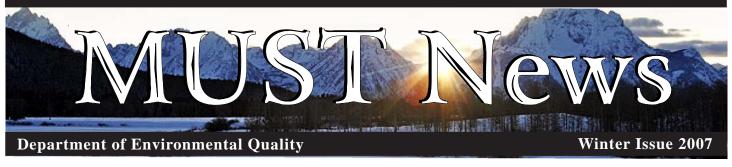
MONTANA UNDERGROUND STORAGE TANK PROGRAM NEWSLETTER



Inspectors Find Much More Compliance Than Law Violations

n the six years since privatization of compliance inspections became law for Montana underground petroleum storage tanks and dispensers, records reveal positive trends.

In the three years before 2007, 1,589 facility inspections were conducted. Inspectors found 348 major violations and 275 moderate violations at 207 facilities. That's 13 percent of the facilities found in significant noncompliance. Looking at the record another way, it also means that 87 percent of the facilities were in significant compliance – a very high rate of compliance on a national basis. An additional 125 facilities had no major violations but shared 223 moderate violations.

Over half of the major and moderate violations were deficiencies in operation and maintenance of tank and line leak detection. Most of these violations are the failure to maintain monthly leak detection records. The department wants to reiterate that no amount of equipment will "do it all for you." Every leak detection system requires human interaction at least once a month.

Another very preventable common violation is failure to conduct corrosion-protection tests every three

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New Federal Law Brings New State Rules on Containment and Sumps

Storage Tank Program intend to implement secondary containment and dispenser sump requirements of the federal Energy Act of 2005. The state UST program will soon make the rule package available for public comment.

The new rules require that all new and replacement tanks and piping be of double-walled construction and employ interstitial monitoring. When dispensers are replaced, or newly installed, or when dispenser islands are modified, dispenser sumps must be installed and monitored for releases.

The draft rules also:

- Update existing referenced standards to the most recent versions and adopt the fire code that Montana's Department of Justice switched to in 2004 (NFPA1-UFC);
- Require all past-due tank-registration fees be paid before the department issues an operating permit;
- Fix the wording in ARM 17.56.701 to fit the definition of "inactive" in ARM 17.56.101;
- Require that lined tanks have an internal check ten years after installation and every five years thereafter even if corrosion protection has been applied;
- Require that automatic line-leak detectors be replaced if they cannot detect a 4.0 GPH release;
- Establish that an operating permit is valid under the old ownership for 45 days after a land transaction. This will give the previous and new owners time to notify the department of the transaction so that the program can produce a valid permit in the new owner's name.

Additionally, the new rules provide for some housekeeping changes, including making a number of definitions in rules conform to statutory definitions in references to installations, installers, person, petroleum storage tank, and release.

The proposed rules changes also will cite correct statutory authority for financial responsibility in five places. The references were not updated when the citations changed in 1995.

Another rule-change will make the title of ARM 17.56.203 read 660 gallons instead of 1,000 gallons.

A later round of rule-making is anticipated to implement a requirement of the federal Energy Act involving mandatory operator training. This program is still a year or two from implementation of these rules and the Montana UST program will develop rules in cooperation with some facility owners. If anyone wants to be part of this work group, please contact Bill Rule at brule@mt.gov or (406) 444-0493.



Tank Installation

Meet Adele Michels

One of a series of get-acquainted notes on new members of the Petro Board

dele Michels of Plentywood in northeastern
Montana is one of two new members of the Petro
Board appointed last year by Governor Brian
Schwietzer. Ms. Michels holds the position as representative
of the general public on the seven-member board. Her
current term ends June 30, 2009.

Born and raised in Montana and a life-long resident of the state, Adele is a high school graduate with some college, as well. Adele is married and she and her husband have two grown children and six grandchildren. Besides farming, Adele and her husband have owned an insurance business in

Plentywood for 36 years and now specialize in crop insurance. Adele does all the accounting for Michels Agency, Inc. besides serving as secretary-treasurer of Michels Farm, Inc., operated by her husband and son.

Adele's hobbies include golf, card club, and spending time with grandchildren and friends. New to government service, Adele has been active in her church including serving on its Finance Council for more than 20 years. She is an investor in a community-owned department store in Plentywood and has been a member of its board of directors for eight years.

Enforcement Report

he Enforcement Division of the Montana Department of Environmental Quality recently settled action against several firms and a school district for violations of the Montana Underground Storage Tank Act.

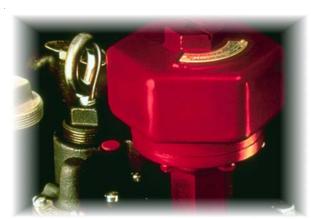
Bob's Valley Market of Helena paid a \$1,080 penalty for failure to conduct leak-detection monitoring. Spring Street Autocare of Hot Springs paid a \$600 penalty for failure to conduct leak detection, maintain records, and provide corrosion protection.

Grain Growers Oil Co. of Glasgow and Farmers Union Oil Co. of Worden, for its facility in Hysham, each paid \$300 penalties for failing to conduct monthly release-detection monitoring for the required 12 months and maintain monitoring records.

Two Top Snowmobile Rentals Inc. of West Yellowstone paid \$200 for failing to conduct monthly release-detection monitoring and failing to maintain release-detection monitoring records for 12 months.

Ronan School District paid \$300 for failing to conduct monthly release-detection monitoring on its underground storage tank system at the East of Ronan Middle School in Ronan.

The DEQ reminds tank owners and operators to conduct monthly release-detection monitoring and maintain monthly records for at least one year.



Line Leak Detector

Equipment Compatibility and the New Fuels

By Robert N. Renkes, Executive Vice President, Petroleum Equipment Institute

e have known for some time that many alternative fuels do not have the same compatibility characteristics as conventional fuels when they are transported, stored, metered, and dispensed.

We know, for instance, that certain metals are not compatible with some ethanol blends. We are also aware that some nonmetallic materials may degrade when placed in contact with ethanol. Biodiesel fuels also require special storage and handling requirements. While biodiesel is commonly mixed with ordinary petroleum diesel to make bio blends like B5 or B20, straight, non-mixed biodiesel (B100 or "neat" biodiesel) can also be burned as fuel in diesel engines.

Some studies suggest that compatibility problems increase as the percentage of biodiesel in the diesel increases. The problem until now has been finding a reliable source for which everyone involved with these alternative fuels (owners/operators, regulators, installers, and equipment providers) can obtain the latest and most accurate information on equipment compatibility.

The Petroleum Equipment Institute (PEI) has recently begun an ambitious project to provide an online database of ethanol- and biodiesel-compatible equipment. The information, available under the Alternative Fuels section of PEI's website, www.pei.org, is searchable by manufacturer and general item description. Manufacturers are responsible for providing the list of equipment and the particular

fuel(s) with which the component is compatible (B5, B20, B100, E10, E20, E85, and E100). The manufacturer also identifies the verification process used to prove that the equipment is indeed compatible with those fuels.

We anticipate that, in time, the following equipment, components, and materials will be identified as ethanol and/or biodiesel compatible:

- Automatic shutoff and overfill valves
- Tanks
- Submersible pumps
- Line-leak detectors
- Leak detection equipment
- Spill containment and sumps
- Piping
- Sealants/adhesives
- O-rings and gaskets
- Flex connectors
- Filters
- Dispensers and internal components
- Hanging hardware

We anticipate that this equipment matrix will be a dynamic reference document, with changes constantly being made as manufacturers confirm compatibility and list their products. Questions and/or comments about the PEI alternative fuels website in general or the equipment compatibility guide in particular should be directed to Allison Monroe (amonroe@pei.org) of the PEI staff at (918) 494-9696. Reprinted from LUSTLine Bulletin 53 • September 2006

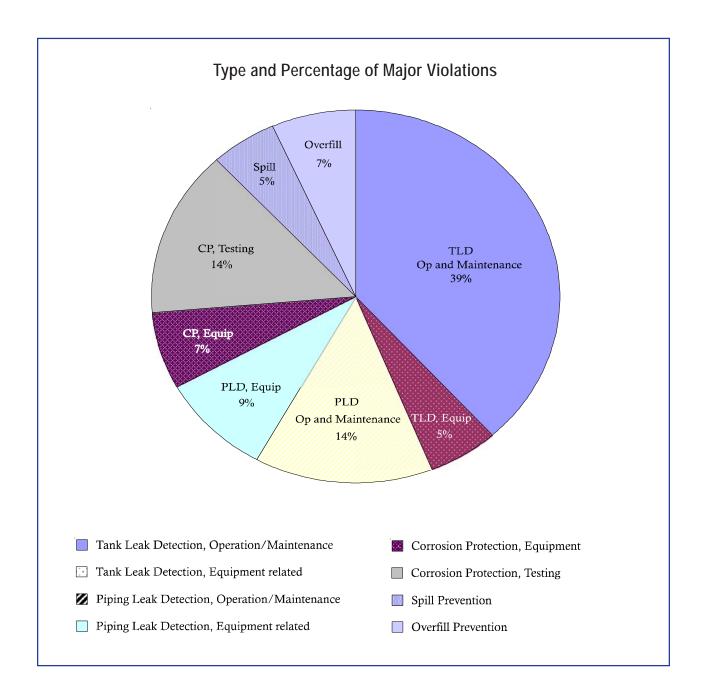


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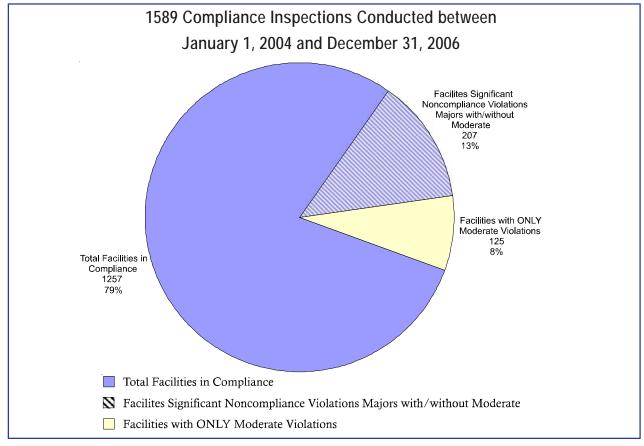
years on systems that have metal components in contact with the ground.

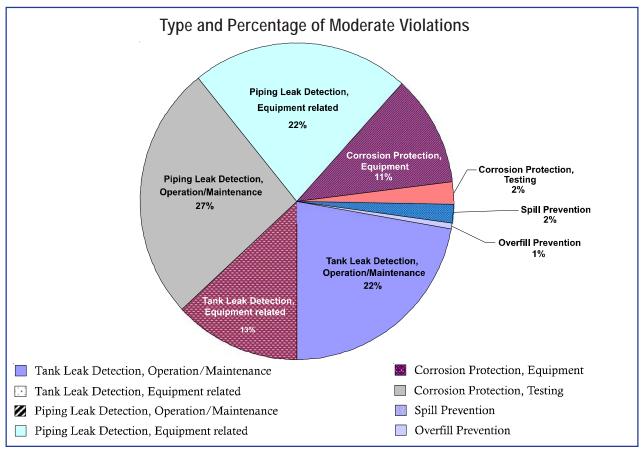
The Montana UST Program sent 83 UST cases to the Enforcement Division of the Montana Department of Environmental Quality in the past three years. That's 5.2

percent of the facilities inspected. Forty-three of the 83 enforcement cases were referred in the second half of last year. This demographic bulge reflects the relative noncompliance of those who waited until the very end of the first round of inspections, 2001- 2003, to come into compliance and to receive an operating permit.



Inspectors Find Much More Compliance Than Law Violations - continued from page 5





Inspectors Find Much More Compliance Than Law Violations - continued from page 6

Categories	Major Violations	Percentage of Total Major Violations
Tank Leak Detection, Operation/Maintenance	133	38.44%
Tank Leak Detection, Equipment related	19	5.49%
Piping Leak Detection, Operation/Maintenance	49	14.16%
Piping Leak Detection, Equipment related	31	8.96%
Corrosion Protection, Equipment	23	6.65%
Corrosion Protection, Testing	50	14.45%
Spill Prevention	18	5.20%
Overfill Prevention	<u>23</u>	<u>6.65%</u>
	346	100.00%
	Moderate	Percentage of
Categories	Violations	Total Moderate Violations
	111	22 200/
Tank Leak Detection, Operation/Maintenance	111	22.29%
Tank Leak Detection, Equipment related	64	12.85%
Piping Leak Detection, Operation/Maintenance	131	26.31%
Piping Leak Detection, Equipment related	112	22.49%
Corrosion Protection, Equipment	56	11.24%
Corrosion Protection, Testing	11	2.21%
Spill Prevention	10	2.01%
Overfill Prevention	<u>3</u>	0.60%
	498	100.00%
		Percentage of
		Facilities with Violations
Total Facilities Inspected	1589	
Total Facilites in Compliance (minor or no violations)	1257	79%
Facilites Significant Noncompliance Violations Majors with/without Moderate	207	13%
Facilities with ONLY Moderate Violations	125	<u>8%</u>
		100%





Montana TankHelper

Online Underground Storage Tank Operator Training is Free & Easy!

Simply log on to TankHelper, identify your facility and proceed through the service. When you finish, you can print out a plan that will help you manage your underground storage tanks.



Training for petroleum system operators to:

- Learn about your petroleum equipment
- Understand rules and responsibilities for your facility
- Get best management practices
- Simplify complex regulations
- Create a site-specific management plan

tankhelper.mt.gov

